

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY  
BOARD OF COMMISSIONERS  
CONVENTION CENTER COMMITTEE MEETING**

**July 24, 2007**

**A meeting of the Convention Center Committee of the Rhode Island Convention Center Authority (hereinafter referred to as “Authority”, the “CCA” or the “Board”) was held on July 24, 2007, pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.**

**Board members present were, Committee Chairman, Marianne Corr, Commissioners Jeff Hirsh, David A. Duffy, and Patrick Butler**

**Also in attendance, Jim McCarvill, Betty Sullivan and Ken Mancuso, Convention Center Authority; Larry Lepore, SMG/DDC; Tim Muldoon, Deb Tuton and Nancy Beauchamp, SMG/RICC; Bruce Leach, Legal Counsel; and Eileen Smith, Recording Secretary.**

**Ms. Corr called the meeting to order at 4:08 p.m. (at the rise of the Dunkin’ Donuts Center Committee).**

**Noting that the minutes of the June meeting had been distributed, Ms. Corr sought a motion to approve. Upon a motion duly made by Mr. Butler and seconded by Mr. Hirsh it was unanimously**

**VOTED: to approve the minutes of the June meeting.**

**Ms. Corr asked Mr. Muldoon to present the financial highlights. Mr. Muldoon reported that net income from operations for the year from operations is 33% higher than budget expectations. Mr. Muldoon stated that Fiscal year 2007 was an exceptionally successful year. Mr. Muldoon noted that comparative net income over the prior year shows a growth of 17.9%. Mr. Muldoon was pleased to note that Year to Date actual net income was \$700,000 over budget. Food & Beverage revenue of \$4,400,000 was \$500,000 over the amount budgeted. Mr. Muldoon said that cost controls returned 28.5% to the bottom line. Industry standard is 25%. Mr. Muldoon noted that early bird parking is up and additional growth is expected from the new hotel rooms. Mr. Muldoon said that he is very excited about the year end numbers. Ms. Beauchamp noted that normal growth is anticipated to be 4 or 5% but this year we have enjoyed an amazing 18% growth and 33% over budget. Ms. Beauchamp noted a 72% net income increase over the last five years. Discussions ensued regarding the financial statements. Mr. Duffy congratulated Mr. Muldoon and his staff on a great year.**

**Ms. Corr asked Ms. Tuton to discuss operations. Ms. Tuton reported that she had developed a comprehensive list of maintenance projects that will be completed over the next few months. She noted that the building had been power washed and the escalators are now being thoroughly cleaned for the first time since the building opened.**

**Mr. McCarvill noted some new business. He reported that Mr.**

**Muldoon was approached with a retail opportunity in the Convention Center lobby. Mr. McCarvill stated that discussions have taken place in the past regarding related businesses on site. Mr. McCarvill noted a candy store, flower shop, sundry shop, a rental car agency would be the type of business that could fit. Mr. McCarvill reported that a rental car company had proposed using the space and was considering an advertising relationship with SMG nationwide. When asked to review the proposal by Mr. Muldoon, Commissioner Fowler advised Mr. Muldoon that the proposed arrangement with the rental car company looked like a very good deal for the building. He suggested other companies might also be interested in leasing space if the deal fell through. When the proposal did not actualize, we took the initiative to create an RFP to see if other companies or businesses would be interested in the small retail/office available. The idea is being presented to the committee for their consideration prior to issuance of any RFP. Mr. Leach stated that an RFP would be required giving us the right to reject any and all bids. Mr. Leach noted that he had spoken with Bond Counsel to see if there would be any problems with “private use” considering our tax exempt status. Mr. Butler asked if we could enter into a lease. Mr. McCarvill said that the situation is covered in the SMG contract and specifically requires Board approval. Mr. Hirsh asked if SMG would endorse the concept. Discussions ensued regarding the merits and it was the opinion of the Committee to table the discussion until further information is available.**

**Upon a motion duly made by Mr. Butler and seconded by Mr. Duffy it was unanimously**

**VOTED: to adjourn at 4:45 p.m.**